

Assembly Bill No. 1625

CHAPTER 320

An act to amend Sections 12254 and 12258 of the Revenue and Taxation Code, and to amend Sections 10850.4, 11322.64, and 11461.3 of, and to add Section 10850.45 to, the Welfare and Institutions Code, relating to human services, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor September 13, 2016. Filed with
Secretary of State September 13, 2016.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1625, Committee on Budget. Human services.

(1) Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which health care services are provided to qualified low-income persons. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law establishes a managed care organization provider tax, which is administered by the State Department of Health Care Services. The tax is assessed by the department on licensed health care service plans, managed care plans contracted with the department to provide Medi-Cal services, and alternate health care service plans.

Existing law imposes a gross premiums tax of 2.35% on all insurers, as defined, doing business in this state, as set forth in the California Constitution. Existing law requires certain insurers to make prepayments of the annual tax and requires the amount of each prepayment to be 25% of the amount of the annual insurance tax liability reported on the return of the insurer for the preceding calendar year. Existing law reduces the gross premiums tax rate to 0% for those premiums received on or after July 1, 2016, and on or before June 30, 2019, for the provision of health insurance paid by health insurers providing health insurance that has a corporate affiliate, as defined, that is a health care service plan or health plan that is subject to the managed care organization provider tax described above, as specified.

This bill would provide that for health insurers subject to the 0% gross premiums tax rate prepayments are not required between July 1, 2016, and on or before June 30, 2019, and would additionally provide that for prepayments due on or after June 30, 2019, the amount due is 25% of the amount of what the annual insurance tax liability reported on the return of the health insurer for the preceding calendar year would have been if the provision reducing the gross premiums tax rate to 0% described above had never been operative.

(2) Existing law requires certain documents from the juvenile case file for a child who died as a result of abuse or neglect, as specified, to be released by the custodian of records upon request and subject to redaction of certain identifying personal information upon completion of the child abuse or neglect investigation into the child's death.

This bill would add a description of child protective or other services provided and actions taken by the child welfare agency, and juvenile court if applicable, to the list of documents that are required to be released. The bill would also require the custodian of records to release certain information in all cases in which abuse or neglect results in a child near fatality, as defined. The bill would prohibit the disclosure of certain information in connection with child near fatalities, including, among others, information that would, after consultation with the district attorney, jeopardize a criminal investigation or proceeding. The bill would make related changes.

The bill would also authorize the State Department of Social Services to implement these provisions by means of all-county letters or similar instructions until regulations are adopted, as specified. By creating new duties for local officials, the bill would impose a state-mandated local program.

(3) Existing law establishes the Approved Relative Caregiver Funding Option Program (ARC), in counties that choose to participate, for the purpose of making the amount paid to relative caregivers for the in-home care of children placed with them who are ineligible for AFDC-FC payments equal to the amount paid on behalf of children who are eligible for AFDC-FC payments. Existing law authorizes a county that is participating in ARC and that has paid certain specified funds to request reimbursement for those funds from the department if, in any calendar year, the entire amount of funding appropriated by the state for ARC has not been fully allocated to or utilized by participating counties.

This bill would instead authorize a county to make that request if, in any fiscal year, the entire amount of funding appropriated by the state for ARC has not been fully allocated to or utilized by participating counties.

(4) The bill also would delete an obsolete reporting requirement of the State Department of Social Services relating to employment of CalWORKs recipients.

(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, with regard to certain mandates, no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(6) This bill would appropriate \$705,000 from the General Fund to the Department of Rehabilitation, for encumbrance or expenditure until June 30, 2017, to be allocated to independent living centers that have been both

established and maintained using specified federal funding as their primary base grant.

(7) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 12254 of the Revenue and Taxation Code is amended to read:

12254. (a) The amount of each prepayment shall be 25 percent of the amount of the annual insurance tax liability reported on the return of the insurer for the preceding calendar year.

(b) In establishing the prepayment amount of an insurer that has acquired the business of another insurer, the amount of tax liability of the acquiring insurer reported for the preceding calendar year shall be deemed to include the amount of tax liability of the acquired insurer reported for that year.

(c) Notwithstanding subdivision (a), for a health insurer subject to Section 12202.2 both of the following shall apply:

(1) On or after July 1, 2016, and on or before June 30, 2019, a prepayment shall not be required.

(2) The amount of each prepayment due after June 30, 2019, shall be 25 percent of the amount of what the annual insurance tax liability reported on the return of the insurer for the preceding calendar year would have been if Section 12202.2 had never been operative.

(d) This section shall become operative on July 1, 2013.

SEC. 2. Section 12258 of the Revenue and Taxation Code is amended to read:

12258. (a) Any insurer that fails to pay any prepayment within the time required shall pay a penalty of 10 percent of the amount of the required prepayment, plus interest at the modified adjusted rate per month, or fraction thereof, established pursuant to Section 6591.5, from the due date of the prepayment until the date of payment but not for any period after the due date of the annual tax. Assessments of prepayment deficiencies may be made in the manner provided by deficiency assessments of the annual tax.

(b) Notwithstanding any other law, if a Medi-Cal managed care plan, as defined in subdivision (a) of Section 12009, receives additional amounts includable in its total operating revenue, as defined in Section 12241, for the service periods from January 1, 2009, to June 30, 2013, inclusive, those amounts shall continue to be subject to the tax imposed by Section 12201, as added by Section 4 of the act adding this section, as added by Section 5 of Chapter 157 of the Statutes of 2009, as added by Section 31 of Chapter 717 of the Statutes of 2010, and as added by Section 2 of Chapter 11 of the First Extraordinary Session of the Statutes of 2011, and 100 percent of the tax continues to be due and shall be submitted to the Department of Insurance no later than 30 days after receipt of those amounts.

(c) This section shall not apply to an insurer subject to paragraph (1) of subdivision (c) of Section 12254.

(d) This section shall become operative on July 1, 2013.

SEC. 3. Section 10850.4 of the Welfare and Institutions Code is amended to read:

10850.4. (a) Within five business days of learning that a child fatality has occurred in the county and that there is a reasonable suspicion that the fatality was caused by abuse or neglect, the custodian of records for the county child welfare agency, upon request, shall release the following information:

- (1) The age and gender of the child.
- (2) The date of death.
- (3) Whether the child resided in foster care or in the home of his or her parent or guardian at the time of death.
- (4) Whether an investigation is being conducted by a law enforcement agency or the county child welfare agency.

(b) All cases in which abuse or neglect, as defined by paragraph (1) of subdivision (k), leads to a child's death shall be subject to the disclosures required in subdivision (c). Abuse or neglect is determined to have led to a child's death if one or more of the following conditions are met:

- (1) A county child protective services agency determines that the abuse or neglect was substantiated.
- (2) A law enforcement investigation concludes that abuse or neglect occurred.
- (3) A coroner or medical examiner concludes that the child who died had suffered abuse or neglect.

(c) Upon completion of the child abuse or neglect investigation into the child's death, as described in subdivision (b), the following documents from the juvenile case file shall be released by the custodian of records upon request, subject to the redactions set forth in subdivision (e):

- (1) All of the information in subdivision (a).
- (2) For cases in which the child's death occurred while living with a parent or guardian, all previous referrals of abuse or neglect of the deceased child while living with that parent or guardian shall be disclosed along with the following documents:
 - (A) The emergency response referral information form and the emergency response notice of referral disposition form completed by the county child welfare agency relating to the abuse or neglect that caused the death of the child.
 - (B) Any cross reports completed by the county child welfare agency to law enforcement relating to the deceased child.
 - (C) All risk and safety assessments completed by the county child welfare services agency relating to the deceased child.
 - (D) All health care records of the deceased child, excluding mental health records, related to the child's death and previous injuries reflective of a pattern of abuse or neglect.

(E) Copies of police reports about the person against whom the child abuse or neglect was substantiated.

(F) A description of child protective or other services provided and actions taken by the child welfare agency, and juvenile court if applicable, relating to the deceased child, addressing any services and actions that are not otherwise disclosed within other documents required for release pursuant to this section, including the date and a written description of any such service or action taken.

(3) For cases in which the child's death occurred while the child was in foster care, the following documents in addition to those specified in paragraphs (1) and (2) generated while the child was living in the foster care placement that was the placement at the time of the child's death:

(A) Records pertaining to the foster placement's initial licensing and renewals and type of license or licenses held, if in the case file.

(B) All reported licensing violations, including notices of action, if in the case file.

(C) Records of the training completed by the foster parents, if in the case file.

(d) (1) The documents and information listed in paragraph (1) of, and subparagraphs (A) to (E), inclusive, of paragraph (2) of, subdivision (c) shall be released to the public by the custodian of records within 10 business days of the request or the disposition of the investigation, whichever is later.

(2) The description listed in subparagraph (F) of paragraph (2) of subdivision (c) shall be released to the public by the custodian of records within 10 business days after the release of the documents pursuant to paragraph (1).

(e) (1) Prior to releasing any document pursuant to subdivision (c), the custodian of records shall redact the following information:

(A) The names, addresses, telephone numbers, ethnicity, religion, or any other identifying information of any person or institution, other than the county or the State Department of Social Services, that is mentioned in the documents listed in paragraphs (2) and (3) of subdivision (c).

(B) Any information that would, after consultation with the district attorney, jeopardize a criminal investigation or proceeding.

(C) Any information that is privileged, confidential, or not subject to disclosure pursuant to any other state or federal law.

(2) (A) The State Department of Social Services shall promulgate a regulation listing the laws described in subparagraph (C) of paragraph (1) and setting forth standards governing redactions.

(B) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), until emergency regulations are filed with the Secretary of State, the State Department of Social Services may implement the changes made to Section 827 and this section at the 2007–08 Regular Session of the Legislature through all-county letters or similar instructions from the director. The department shall adopt emergency

regulations, as necessary to implement those changes, no later than January 1, 2009.

(C) The adoption of regulations pursuant to this paragraph shall be deemed to be an emergency necessary for the immediate preservation of the public peace, health, safety, or general welfare. The emergency regulations authorized by this section shall be exempt from review by the Office of Administrative Law. The emergency regulations authorized by this section shall be submitted for filing with the Secretary of State and shall remain in effect for no more than 180 days, by which time the final regulations shall be adopted.

(f) Upon receiving a request for the documents listed in subdivision (c), the custodian of records shall notify and provide a copy of the request upon counsel for any child who is directly or indirectly connected to the juvenile case file. If counsel for a child, including the deceased child or any sibling of the deceased child, objects to the release of any part of the documents listed in paragraphs (2) and (3) of subdivision (c), they may petition the juvenile court for relief to prevent the release of any document or part of a document requested pursuant to paragraph (2) of subdivision (a) of Section 827.

(g) Juvenile case file records that are not subject to disclosure pursuant to this section shall only be disclosed upon an order by the juvenile court pursuant to Section 827.

(h) Once documents pursuant to this section have been released by the custodian of records, the State Department of Social Services or the county welfare department or agency may comment on the case within the scope of the release. If the county welfare department or agency comments publicly about the case within the scope of the release pursuant to this subdivision, the social worker on the case may also comment publicly about the case within the scope of the release.

(i) Information released by a custodian of records consistent with the requirements of this section does not require prior notice to any other individual.

(j) Each county welfare department or agency shall notify the State Department of Social Services of every child fatality that occurred within its jurisdiction that was the result of child abuse or neglect. Based on these notices and any other relevant information in the State Department of Social Services' possession, the department shall annually issue a report identifying the child fatalities and any systemic issues or patterns revealed by the notices and other relevant information. The State Department of Social Services, after consultation with interested stakeholders, shall provide instructions by an all-county letter regarding the procedure for notification.

(k) For purposes of this section, the following definitions apply:

(1) "Child abuse or neglect" and "abuse or neglect" have the same meaning as defined in Section 11165.6 of the Penal Code.

(2) "Custodian of records," for the purposes of this section and paragraph (2) of subdivision (a) of Section 827, means the county welfare department or agency.

(3) “Juvenile case files” or “case files” includes any juvenile court files, as defined in Rule 5.552 of the California Rules of Court, and any county child welfare department or agency or State Department of Social Services records regardless of whether they are maintained electronically or in paper form.

(4) “Substantiated” has the same meaning as that term is used with respect to a substantiated report as defined in Section 11165.12 of the Penal Code.

(l) A person disclosing juvenile case file information as required by this section shall not be subject to liability in any civil or criminal proceeding for complying with the requirements of this section.

(m) This section shall apply only to deaths that occur on or after January 1, 2008.

(n) Nothing in this section shall require a custodian of records to retain documents beyond any date otherwise required by law.

(o) Nothing in this section shall be construed as requiring a custodian of records to obtain documents not in the case file.

(p) Nothing in this section authorizes the disclosure of information that reveals the identity of a person or persons who provided information related to suspected abuse, neglect, or maltreatment of the child.

(q) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), until regulations are filed with the Secretary of State, the State Department of Social Services may implement this section through all-county letters or similar instructions following consultation with stakeholders. This consultation shall commence no later than October 1, 2016, and shall include, but not be limited to, child welfare advocates, labor organizations, representatives of counties, and legislative staff. Rulemaking to implement this section pursuant to the Administrative Procedure Act shall commence no later than January 1, 2018.

SEC. 4. Section 10850.45 is added to the Welfare and Institutions Code, to read:

10850.45. (a) Within 10 business days of learning that a child near fatality that has been determined to have been caused by abuse or neglect, as described in paragraph (4) of subdivision (l), has occurred in the county, the custodian of records for the county child welfare agency, upon request, shall release all of the following information:

(1) The age and gender of the child.

(2) The date of the near fatality.

(3) Whether the child resided in foster care or in the home of his or her parent or guardian at the time of the near fatality.

(4) Whether an investigation is being conducted by a law enforcement agency or the county child welfare agency.

(b) All cases in which abuse or neglect leads to a child’s near fatality, as described in paragraph (4) of subdivision (l), shall be subject to the disclosures required in subdivisions (c) and (d).

(c) Findings or information disclosed under this subdivision, upon request, shall consist of a written report that includes all of the following information:

- (1) The age and gender of the child.
- (2) The date the abuse or neglect occurred that resulted in the near fatality, if known, and the date that a licensed physician determined the child victim to be in serious or critical medical condition, if known.
- (3) Whether the child resided in foster care or in the home of his or her parent or guardian at the time of the near fatality.
- (4) The cause of, and circumstances regarding, the near fatality.
- (5) A description of reports received, child protective or other services provided, and actions taken by the county child welfare services agency and juvenile court, if applicable, regarding both of the following:
 - (A) Suspected or substantiated abuse or neglect of the child near fatality victim.
 - (B) Suspected or substantiated abuse or neglect of other children that is related to the abuse or neglect described in subparagraph (A).
- (6) The description required by paragraph (5) shall provide a written narrative that includes, but is not limited to, the following information:
 - (A) The dates of reports, investigations, services provided, and actions taken.
 - (B) The investigative disposition for each report.
 - (C) Any comments provided by the involved social worker or workers for the written narrative regarding the investigations, services provided, and actions taken.
- (d) Upon completion of the child abuse or neglect investigation into a child's near fatality, as described in paragraph (4) of subdivision (l), the following documents from the juvenile case file shall be released by the custodian of records upon request, subject to the redactions described in subdivision (f):
 - (1) For cases in which the child's near fatality occurred while living with a parent or guardian, all previous referrals of abuse or neglect of the child suffering the near fatality while living with that parent or guardian, along with the following documents:
 - (A) The emergency response referral information form and emergency response notice of referral disposition form completed by the county child welfare agency relating to the abuse or neglect that caused the near fatality of the child.
 - (B) Any cross reports completed by the county child welfare services agency to law enforcement relating to the child suffering the near fatality.
 - (C) All risk and safety assessments completed by the county child welfare services agency relating to the child suffering the near fatality.
 - (D) Copies of police reports about the person against whom the child abuse or neglect was substantiated.
 - (2) For cases in which the child's near fatality occurred while the child was in foster care, the following documents, in addition to those specified in paragraph (1), generated while the child was living in the foster care placement that was the placement at the time of the child's near fatality:
 - (A) Records pertaining to the foster parents' initial licensing and renewals and type of license or licenses held if in the case file.

(B) All reported licensing violations, including notices of action, if in the case file.

(C) Records of the training completed by the foster parents if in the case file.

(e) (1) When disclosure is requested pursuant to subdivisions (c) and (d), all required findings and information shall be released to the public by the custodian of records within 30 calendar days of either the request or the disposition of the investigation, whichever is later.

(2) When disclosure is requested pursuant to subdivision (c), the county shall submit a copy of the description and written narrative required in subdivision (c) to the State Department of Social Services within 20 calendar days of the request or the disposition of the investigation, whichever is later. Within 10 calendar days of receipt, the State Department of Social Services shall review the description and written narrative submitted by the county against the case file and notify the county of any discrepancies or other concerns prior to the county's release of the information pursuant to paragraph (1).

(f) The information and records subject to disclosure pursuant to subdivisions (c) and (d) shall not include, and the custodian of records shall not disclose, any of the following information:

(1) The name, address, telephone number, ethnicity, religion, or any other identifying information of any person or institution, other than the county or the State Department of Social Services, that is referenced in subdivision (c) or (d).

(2) Any information that would, after consultation with the district attorney, jeopardize a criminal investigation or proceeding.

(3) Any information that is privileged, confidential, or not subject to disclosure pursuant to any other state or federal law.

(4) All health care records related to the child or the child's family.

(5) (A) Any information referenced in the report prepared pursuant to subdivision (c) or contained in any document listed in subdivision (d) that is not relevant to the near fatality, consistent with regulations or all-county letters or similar instructions issued pursuant to subdivision (r). Subject to subparagraphs (B) and (C), those regulations or all-county letters or similar instructions shall provide further guidance regarding persons or conduct that is not relevant. This includes, but is not limited to, any information referenced in the report prepared pursuant to subdivision (c) or contained in any document listed in subdivision (d) regarding any adult whose activities are not part of an event or events or do not have a material bearing on the circumstances that led to the near fatality, pursuant to subparagraph (B).

(B) Information regarding the agency's handling of the case that may indicate a pattern of events or have a material bearing on the circumstances that led to the near fatality is relevant for purposes of subparagraph (A).

(C) Any record of any action or observation of any individual acting in his or her professional capacity is relevant for purposes of subparagraphs (A) and (B).

(g) Upon receiving a request for the information described in subdivisions (c) and (d), the custodian of records shall notify and provide a copy of the request to the counsel for any child who is directly or indirectly connected to the juvenile case file. If the counsel for a child, including the child near fatality victim or any sibling of the child victim, objects to the release of any part of the information listed in subdivisions (c) and (d), counsel may petition the juvenile court for relief to prevent the release of any document or part of a document requested pursuant to paragraph (2) of subdivision (a) of Section 827.

(h) Juvenile case file records that are not subject to disclosure pursuant to this section shall only be disclosed upon an order by the juvenile court pursuant to Section 827.

(i) Once documents have been released by the custodian of records pursuant to this section, the State Department of Social Services or the county welfare department or agency may comment on the case within the scope of the release. If the county welfare department or agency comments publicly about the case within the scope of the release pursuant to this subdivision, the social worker on the case may also comment publicly about the case within the scope of the release.

(j) Information released by a custodian of records consistent with the requirements of this section does not require prior notice to any other individual.

(k) Each county child welfare services agency shall notify the State Department of Social Services of every child near fatality that occurred within its jurisdiction that was the result of child abuse or neglect. Based on these notices and any other relevant information in the State Department of Social Services' possession, the department shall annually issue a report identifying the child near fatalities and any systemic issues or patterns revealed by the notices and other relevant information.

(l) For purposes of this section, the following definitions apply:

(1) "Child abuse or neglect" and "abuse or neglect" have the same meaning as defined in Section 11165.6 of the Penal Code. "Child abuse or neglect" and "abuse or neglect" shall not include near fatalities caused by the following persons, unless neglect by a parent, guardian, or foster care provider contributed to the circumstances of the near fatality:

(A) An alleged perpetrator who was unknown to the child or family prior to the abuse that caused the near fatality.

(B) A minor, unless acting in the role of a caretaker, who is alleged to have caused the near fatality.

(2) "Custodian of records" means the county welfare department or agency.

(3) "Juvenile case files" or "case files" includes any juvenile court files, as defined in Rule 5.552 of the California Rules of Court, and any county child welfare department or agency or State Department of Social Services records regardless of whether they are maintained electronically or in paper form.

(4) (A) “Near fatality” has the same meaning as defined in Section 5106a of Title 42 of the United States Code under the federal Child Abuse Prevention and Treatment Act.

(B) Abuse or neglect is deemed to have resulted in a child’s near fatality if either of the following conditions is met:

(i) A law enforcement investigation concludes that child abuse or neglect occurred.

(ii) A county child welfare services agency determines that the child abuse or neglect was substantiated.

(5) “Substantiated” has the same meaning as that term is used with respect to a substantiated report as defined in Section 11165.12 of the Penal Code.

(m) A person disclosing juvenile case file information as required by this section shall not be subject to liability in any civil or criminal proceeding for complying with the requirements of this section.

(n) This section shall apply only to near fatalities that occur on or after January 1, 2017.

(o) This section does not require a custodian of records to retain documents beyond any date otherwise required by law.

(p) This section does not require a custodian of records to obtain documents not in the case file.

(q) This section does not authorize the disclosure of information that reveals the identity of a person or persons who provided information related to suspected abuse, neglect, or maltreatment of a child.

(r) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), until regulations are filed with the Secretary of State, the State Department of Social Services may implement this section through all-county letters or similar instructions following consultation with stakeholders. This consultation shall commence no later than October 1, 2016, and shall include, but not be limited to, the following stakeholders: child welfare advocates, representatives of organizations that have filed requests pursuant to Section 10850.4, advocates for foster youth, labor organizations, representatives of counties, and legislative staff. Rulemaking to implement this section pursuant to the Administrative Procedure Act shall commence no later than January 1, 2018, and shall be concluded as soon as practicable.

SEC. 5. Section 11322.64 of the Welfare and Institutions Code, as added by Section 9 of Chapter 25 of the Statutes of 2016, is amended to read:

11322.64. (a) (1) The department, in consultation with the County Welfare Directors Association of California, shall develop an allocation methodology to distribute additional funding for expanded subsidized employment programs for CalWORKs recipients, or individuals described in Section 11320.15 who have exceeded the time limits specified in subdivision (a) of Section 11454.

(2) Funds allocated pursuant to this section may be utilized to cover all expenditures related to the operational costs of the expanded subsidized employment program, including the cost of overseeing the program,

developing work sites, and providing training to participants, as well as wage and nonwage costs.

(3) The department, in consultation with the County Welfare Directors Association of California, shall determine the amount or proportion of funding allocated pursuant to this section that may be utilized for operational costs, consistent with the number of employment slots anticipated to be created and the funding provided.

(b) Funds allocated for expanded subsidized employment shall be in addition to, and independent of, the county allocations made pursuant to Section 15204.2.

(c) (1) A county that accepts additional funding for expanded subsidized employment in accordance with this section shall continue to expend no less than the aggregate amount of funding received by the county pursuant to Section 15204.2 that the county expended on subsidized employment in the 2012–13 fiscal year pursuant to Section 11322.63, as that section read on June 30, 2016.

(2) This subdivision shall not apply for any fiscal year in which the total CalWORKs caseload is projected by the department to increase by more than 5 percent of the total actual CalWORKs caseload in the 2012–13 fiscal year.

(d) Each county shall submit to the department a plan regarding how it intends to utilize the funds allocated pursuant to this section.

(e) (1) Participation in subsidized employment pursuant to this section shall be limited to a maximum of six months for each participant.

(2) Notwithstanding paragraph (1), a county may extend participation beyond the six-month limitation described in paragraph (1) for up to an additional three months at a time, to a maximum of no more than 12 total months. Extensions may be granted pursuant to this paragraph if the county determines that the additional time will increase the likelihood of either of the following:

(A) The participant obtaining unsubsidized employment with the participating employer.

(B) The participant obtaining specific skills and experiences relevant for unsubsidized employment in a particular field.

(f) A county may continue to provide subsidized employment funded under this section to individuals who become ineligible for CalWORKs benefits in accordance with Section 11323.25.

(g) Upon application for CalWORKs assistance after a participant's subsidized employment ends, if an assistance unit is otherwise eligible within three calendar months of the date that subsidized employment ended, the income exemption requirements contained in Section 11451.5 and the work requirements contained in subdivision (c) of Section 11201 shall apply. If aid is restored after the expiration of that three-month period, the income exemption requirements contained in Section 11450.12 and the work requirements contained in subdivision (b) of Section 11201 shall apply.

(h) This section shall become operative on July 1, 2016.

SEC. 6. Section 11461.3 of the Welfare and Institutions Code is amended to read:

11461.3. (a) The Approved Relative Caregiver Funding Option Program is hereby established for the purpose of making the amount paid to approved relative caregivers for the in-home care of children placed with them who are ineligible for AFDC-FC payments equal to the amount paid on behalf of children who are eligible for AFDC-FC payments. This is an optional program for counties choosing to participate, and in so doing, participating counties agree to the terms of this section as a condition of their participation. It is the intent of the Legislature that the funding described in paragraph (1) of subdivision (g) for the Approved Relative Caregiver Funding Option Program be appropriated, and available for use from January through December of each year, unless otherwise specified.

(b) Subject to subdivision (e), effective January 1, 2015, participating counties shall pay an approved relative caregiver a per child per month rate in return for the care and supervision, as defined in subdivision (b) of Section 11460, of a child that is placed with the relative caregiver that is equal to the basic rate paid to foster care providers pursuant to subdivision (g) of Section 11461, if both of the following conditions are met:

(1) The county with payment responsibility has notified the department in writing by October 1 of the year before participation begins of its decision to participate in the Approved Relative Caregiver Funding Option Program.

(2) The related child placed in the home meets all of the following requirements:

(A) The child resides in California.

(B) The child is described by subdivision (b), (c), or (e) of Section 11401 and the county welfare department or the county probation department is responsible for the placement and care of the child.

(C) The child is not eligible for AFDC-FC while placed with the approved relative caregiver because the child is not eligible for federal financial participation in the AFDC-FC payment.

(c) Any income or benefits received by an eligible child or the approved relative caregiver on behalf of the eligible child that would be offset against the basic rate paid to a foster care provider pursuant to subdivision (g) of Section 11461, shall be offset from any funds that are not CalWORKs funds paid to the approved relative caregiver pursuant to this section.

(d) Participating counties shall recoup an overpayment in the Approved Relative Caregiver Funding Option Program received by an approved relative caregiver using the standards and processes for overpayment recoupment that are applicable to overpayments to an approved home of a relative, as specified in Section 11466.24. Recouped overpayments shall not be subject to remittance to the federal government. Any overpaid funds that are collected by the participating counties shall be remitted to the state after subtracting both of the following:

(1) An amount not to exceed the county share of the CalWORKs portion of the Approved Relative Caregiver Funding Option Program payment, if any.

(2) Any other county funds that were included in the Approved Relative Caregiver Funding Option Program payment.

(e) A county's election to participate in the Approved Relative Caregiver Funding Option Program shall affirmatively indicate that the county understands and agrees to all of the following conditions:

(1) Commencing October 1, 2014, the county shall notify the department in writing of its decision to participate in the Approved Relative Caregiver Funding Option Program. Failure to make timely notification, without good cause as determined by the department, shall preclude the county from participating in the program for the upcoming calendar year. Annually thereafter, any county not already participating who elects to do so shall notify the department in writing no later than October 1 of its decision to participate for the upcoming calendar year.

(2) The county shall confirm that it will make per child per month payments to all approved relative caregivers on behalf of eligible children in the amount specified in subdivision (b) for the duration of the participation of the county in this program.

(3) The county shall confirm that it will be solely responsible to pay any additional costs needed to make all payments pursuant to subdivision (b) if the state and federal funds allocated to the Approved Relative Caregiver Funding Option Program pursuant to paragraph (1) of subdivision (g) are insufficient to make all eligible payments.

(f) (1) A county deciding to opt out of the Approved Relative Caregiver Funding Option Program shall provide at least 120 days' prior written notice of that decision to the department. Additionally, the county shall provide at least 90 days' prior written notice to the approved relative caregiver or caregivers informing them that his or her per child per month payment will be reduced and the date that the reduction will occur.

(2) The department shall presume that all counties have opted out of the Approved Relative Caregiver Funding Option Program if the funding appropriated for the current 12-month period is reduced below the amount specified in subparagraph (B), subparagraph (C), or subparagraph (D) of paragraph (2) of subdivision (g) for that 12-month period, unless a county notifies the department in writing of its intent to opt in within 60 days of enactment of the State Budget. The counties shall provide at least 90 days' prior written notice to the approved relative caregiver or caregivers informing them that his or her per child per month payment will be reduced, and the date that reduction will occur.

(3) Any reduction in payments received by an approved relative caregiver on behalf of a child under this section that results from a decision by a county, including the presumed opt-out pursuant to paragraph (2), to not participate in the Approved Relative Caregiver Funding Option Program shall be exempt from state hearing jurisdiction under Section 10950.

(g) (1) The following funding shall be used for the Approved Relative Caregiver Funding Option Program:

(A) The applicable regional per-child CalWORKs grant, in accordance with subdivision (a) of Section 11253.4.

(B) General Fund resources, as appropriated in paragraph (2).

(C) County funds only to the extent required under paragraph (3) of subdivision (e).

(D) Funding described in subparagraphs (A) and (B) is intended to fully fund the base caseload of approved relative caregivers, which is defined as the number of approved relative caregivers caring for a child who is not eligible to receive AFDC-FC payments, as of July 1, 2014.

(2) The following amount is hereby appropriated from the General Fund as follows:

(A) The sum of fifteen million dollars (\$15,000,000), for the period of January 1, 2015, to June 30, 2015, inclusive.

(B) For the period of July 1, 2015, to June 30, 2016, inclusive, there shall be appropriated an amount equal to the sum of all of the following:

(i) Two times the amount appropriated pursuant to subparagraph (A), inclusive of any increase pursuant to paragraph (3).

(ii) The amount necessary to increase or decrease the CalWORKs funding associated with the base caseload described in subparagraph (D) of paragraph (1) to reflect any change from the prior fiscal year in the applicable regional per-child CalWORKs grant described in subparagraph (A) of paragraph (1).

(iii) The additional amount necessary to fully fund the base caseload described in subparagraph (D) of paragraph (1), reflective of the annual California Necessities Index increase to the basic rate paid to foster care providers.

(C) For every 12-month period thereafter, commencing with the period of July 1, 2016, to June 30, 2017, inclusive, the sum of all of the following shall be appropriated for purposes of this section:

(i) The total General Fund amount provided pursuant to this paragraph for the previous 12-month period.

(ii) The amount necessary to increase or decrease the CalWORKs funding associated with the base caseload described in subparagraph (D) of paragraph (1) to reflect any change from the prior fiscal year in the applicable regional per-child CalWORKs grant described in subparagraph (A) of paragraph (1).

(iii) The additional amount necessary to fully fund the base caseload described in subparagraph (D) of paragraph (1), reflective of the annual California Necessities Index increase to the basic rate paid to foster care providers.

(D) Notwithstanding clauses (ii) and (iii) of subparagraph (B) and clauses (ii) and (iii) of subparagraph (C), the total General Fund appropriation made pursuant to subparagraph (B) shall not be less than the greater of the following amounts:

(i) Thirty million dollars (\$30,000,000).

(ii) Two times the amount appropriated pursuant to subparagraph (A), inclusive of any increase pursuant to paragraph (3).

(3) To the extent that the appropriation made by subparagraph (A) of paragraph (2) is insufficient to fully fund the base caseload of approved relative caregivers as of July 1, 2014, as described in subparagraph (D) of paragraph (1), for the period of January 1, 2015, to June 30, 2015, inclusive,

as jointly determined by the department and the County Welfare Directors' Association and approved by the Department of Finance on or before October 1, 2015, the amount specified in subparagraph (A) of paragraph (2) shall be increased by the amount necessary to fully fund that base caseload.

(4) Funds available pursuant to paragraph (2) shall be allocated to participating counties proportionate to the number of their approved relative caregiver placements, using a methodology and timing developed by the department, following consultation with county human services agencies and their representatives.

(5) Notwithstanding subdivision (e), if in any fiscal year the entire amount of funding appropriated by the state for the Approved Relative Caregiver Funding Option Program has not been fully allocated to or utilized by participating counties, a participating county that has paid any funds pursuant to subparagraph (C) of paragraph (1) of subdivision (g) may request reimbursement for those funds from the department. The authority of the department to approve the requests shall be limited by the amount of available unallocated funds.

(h) An approved relative caregiver receiving payments on behalf of a child pursuant to this section shall not be eligible to receive additional CalWORKs payments on behalf of the same child under Section 11450.

(i) To the extent permitted by federal law, payments received by the approved relative caregiver from the Approved Relative Caregiver Funding Option Program shall not be considered income for the purpose of determining other public benefits.

(j) Prior to referral of any individual or recipient, or that person's case, to the local child support agency for child support services pursuant to Section 17415 of the Family Code, the county human services agency shall determine if an applicant or recipient has good cause for noncooperation, as set forth in Section 11477.04. If the applicant or recipient claims good cause exception at any subsequent time to the county human services agency or the local child support agency, the local child support agency shall suspend child support services until the county social services agency determines the good cause claim, as set forth in Section 11477.04. If good cause is determined to exist, the local child support agency shall suspend child support services until the applicant or recipient requests their resumption, and shall take other measures that are necessary to protect the applicant or recipient and the children. If the applicant or recipient is the parent of the child for whom aid is sought and the parent is found to have not cooperated without good cause as provided in Section 11477.04, the applicant's or recipient's family grant shall be reduced by 25 percent for the time the failure to cooperate lasts.

(k) Consistent with Section 17552 of the Family Code, if aid is paid under this chapter on behalf of a child who is under the jurisdiction of the juvenile court and whose parent or guardian is receiving reunification services, the county human services agency shall determine, prior to referral of the case to the local child support agency for child support services,

whether the referral is in the best interest of the child, taking into account both of the following:

(1) Whether the payment of support by the parent will pose a barrier to the proposed reunification in that the payment of support will compromise the parent's ability to meet the requirements of the parent's reunification plan.

(2) Whether the payment of support by the parent will pose a barrier to the proposed reunification in that the payment of support will compromise the parent's current or future ability to meet the financial needs of the child.

(l) Effective January 1, 2017, if a relative has been approved as a resource family pursuant to Section 16519.5, the approved relative shall be paid an amount equal to the resource family basic rate at the child's assessed level of care as set forth in subdivision (g) of Section 11461 and Section 11463.

SEC. 7. (a) To the extent that this act has an overall effect of increasing the costs already borne by a local agency for programs or levels of service mandated by the 2011 Realignment Legislation, Section 36 of Article XIII of the California Constitution shall govern this act's application to local agencies and the state's funding of those programs or levels of service.

(b) However, if the Commission on State Mandates determines that this act contains other costs mandated by the state for programs or levels of service not described in subdivision (a), reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

SEC. 8. There is hereby appropriated seven hundred five thousand dollars (\$705,000) from the General Fund to the Department of Rehabilitation for encumbrance or expenditure until June 30, 2017. Notwithstanding subdivision (b) of Section 19806 of the Welfare and Institutions Code, these funds shall be allocated to those independent living centers that have been both established and maintained using federal funding under Part C of Chapter 1 of Title VII of the federal Rehabilitation Act of 1973 (29 U.S.C. Sec. 796f et seq.), as amended, as their primary base grant, as determined by the Department of Rehabilitation.

SEC. 9. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.